REMARKS/ARGUMENTS

By this Amendment, claims 1, 3-4, 6-7, 9-11 and 13-17 are amended for enhanced clarity. Claims 1-28 and 32-41 are pending with claims 18-28 and 32-41 being withdrawn from consideration pursuant to a restriction requirement.

Favorable reconsideration is respectfully requested in view of the foregoing amendments and the following remarks.

Election/Restrictions

In response to the restriction requirement, Applicants hereby elect Group I, claims 1-17, drawn to a method for making cells that produce pancreatic hormone from pluripotent stem cells obtained from differentiated exocrine glandular tissue. This election is made with traverse.

A restriction requirement between inventions is proper only where there is a serious burden on the Patent Office to examine all of the claims in a single application, even when it appears that appropriate reasons exist for a restriction requirement. MPEP § 803. Applicants respectfully submit that there would be no serious burden on the Patent Office to examine all of the present claims because the subject matter of Groups I through III is sufficiently related that a search of the subject matter of Group I would encompass a search for the subject matter of the other groups.

Thus, the restriction requirement is improper and should not be maintained. Reconsideration and withdrawal of the restriction requirement are respectfully requested.

In response to the election of species requirement, Applicants elect species (d) "treatment with immobilized molecular growth factors". All of elected claims 1-17 read on the elected species.

For at least the reasons set forth above, it is respectfully submitted that the above-identified application is in condition for complete consideration on the merits and prompt allowance. Favorable reconsideration and prompt allowance of the claims are respectfully requested.

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Should the Examiner believe that anything further is desirable in order to place the application in even better condition for allowance, the Examiner is invited to contact Applicants' undersigned attorney at the telephone number listed below.

July 11, 2008

Please charge or credit our Account No. 03-0075 as necessary to effect entry and/or ensure consideration of this submission.

Respectfully submitted,

CAESAR, RIVISE, BERNSTEIN, COHEN & POKOTILOW, LTD.

 $By_{\underline{}}$

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